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61 INDIVIDUALS AND 2 CORPORATIONS CHARGED
IN MAJOR NO-FAULT INSURANCE FRAUD SCHEME

Allegedly Bilked Insurance Companies Out of Millions of Dollars; Staged Scores of Fake Accidents; Targeted Asian Drivers And Laundered \$1.6 Million in Criminal Proceeds

Queens District Attorney Richard A. Brown, joined by Assistant Director Mark J. Mershon of the Federal Bureau of Investigation, New York City Police Commissioner Raymond W. Kelly and Superintendent Eric Dinallo of the New York State Department of Insurance, today announced that 61 individuals and 2 corporations have been charged with engaging in a widespread, multimillion-dollar no-fault automobile insurance fraud scheme that sought to defraud insurance carriers by intentionally staging accidents, submitting false medical and bodily injury claims and arranging for unneeded treatment and costly and unwarranted medical tests. Fifty-four of the individuals are in custody and seven are presently being sought.

District Attorney Brown said, "The defendants – among whom are the operators of a Manhattan medical clinic – are accused of deliberately causing or staging more than 40 automobile accidents with unsuspecting drivers – particularly targeting Asian drivers in the Flushing area of Queens – over the last three years in order to capitalize on New York's no-fault insurance law. Under that law, a person injured in a motor vehicle accident can receive up to \$50,000 coverage for medical expenses incurred as a result of an accident. In most instances, insurance carriers directly reimburse the health providers for medical treatment. The defendants in this case are charged with bilking insurance carriers out of more than \$1.6 million they submitted for allegedly unnecessary medical services for exaggerated or fabricated injuries."

The District Attorney added, "Although successful investigations such as this one has helped reduce no-fault insurance fraud in New York by about 25 percent since 2002, it continues to cost the insurance industry about \$14 billion a year in false claims nationwide. The consumer, in the last analysis, pays the bill because the cost of the fraud is ultimately passed on to all of us by way of increased insurance premiums – adding an extra 10 percent to New York drivers' premiums annually. With today's indictments, we have closed down a major insurance fraud ring and have sent a clear message that combating insurance fraud remains a top law enforcement priority."

FBI Assistant Director Mershon said, "The predatory scheme carried out by these defendants had a pronounced economic impact, and that's reason enough to have worked so hard to dismantle it. But it also put innocent people at risk – any of whom could have been, and some of whom were, injured. This crew's greed trumped any concern for the safety of the unsuspecting drivers they targeted and victimized. In a less direct way, health care fraud victimizes all of us in the form of

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increased insurance costs to consumers. The FBI is committed to working with our partners on the New York Health Care Fraud Task Force to eradicate the insurance fraud that increases costs for us all, to end the unjust enrichment of the unscrupulous, and to protect the public.”

Police Commissioner Kelly said, “In addition to ripping off victims, insurers, and taxpayers, these staged accidents pose a threat public safety that must not be tolerated.”

State Insurance Superintendent Dinallo said, “This case is important because it goes beyond simply bringing criminals to justice. It has a very real impact on everyone in New York State who drives a car. Staged auto accidents increase the cost of insurance. By working to eliminate this crime, the State is continuing its strong commitment to holding auto insurance rates down for law-abiding consumers.”

The charges are the result of a 19-month investigation by the Queens District Attorney’s Organized Crime and Rackets Bureau and the New York Health Care Fraud Task Force – which is composed of agents and detectives from the FBI, the NYPD, and other federal, state and local law enforcement entities, as well as investigators from the insurance industry. The investigation included physical and video surveillance, intelligence information, court-authorized electronic eavesdropping and the interception of hundreds of conversations – some of which occurred as the defendants were allegedly crashing into innocent drivers.

The investigation – dubbed *Operation Direct Hit* – began in March 2007 when the NYPD uncovered evidence of a specific accident pattern occurring within the confines of the 109th Precinct in Queens County that dated back to 2005. Typically, the “victim” vehicle – often driven by an Asian individual – was intentionally struck while backing out of a driveway or pulling out of a parking lot. The investigation later revealed that Tomas Aquiles, who allegedly coordinated these accidents, specifically targeted Asian American drivers due to his belief that they were bad drivers and that they would be blamed by the police and insurers for the accidents instead of the actual culprits. Some of the Asian American drivers were injured as a result of these accidents and many suffered significant damage to their vehicles. As a result, Aquiles has been charged with multiple violations of New York’s Hate Crime Statute, which enhances an offender’s sentence if convicted.

While most of the accidents were relatively minor, the investigation revealed that the occupants of the cars that caused the accidents all purportedly received extensive medical treatment at the same medical clinic – Bronx Park Medical (also known as Health Bay Medical), located at 100 Dyckman Street in Manhattan.

According to the indictments filed today, Bronx Park Medical was at the epicenter of an insurance fraud ring that operated from about July 23, 2005, to the present. It is alleged that the clinic operators – Inessa Drabkin and Michael Mazur – paid runners – such as Aquiles – up to \$2,500 for each person whom they recruited to pose as an injured accident victim. Fake patients, it is alleged, received payment from either a runner or a clinic employee of up to \$1,000 for their participation in the scheme.

It is alleged that in order to receive payment, a fake patient had to assign their no-fault benefits to the clinic and undergo a prescribed course of treatment at the clinic – dictated and controlled by non-medical personnel Drabkin and Mazur – in order to ensure that each insurance carrier was billed the maximum amount possible under the no-fault system. The prescribed

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treatment was also allegedly designed to generate lucrative lawsuits for others who worked with clinic management – such as Yevgeniy Rivkin, who allegedly oversaw the operations of the clinic by determining which medical providers would work at the clinic and deciding which staged and caused accident participants should receive medical treatment, so as to enhance the value of lawsuits. On average, insurance carriers paid up to several thousand dollars for each bodily injury claim.

In one instance, a court-authorized listening device and video camera was placed in an office within the medical clinic which allegedly allowed investigators to observe Aquiles instructing the “patients” on how to feign/exaggerate their injuries for the purpose of fraudulent insurance billing and an unindicted individual instructing them on how to fake injuries and encouraging them to get unnecessary treatment in order to obtain lucrative settlements from insurance companies.

Another clinic employee allegedly involved in the scheme was receptionist Lucy Rodriguez who is alleged to have often acted as an intermediary between the patients, the clinic management and individual runners, informing the runners and clinic management when the patients were not cooperative with the fraud scheme. She also allegedly split cash payments with Aquiles for patients “they” provided to the clinic.

Finally, it is alleged that fraudulently obtained payments from the insurance companies were deposited into the personal corporate bank accounts of the clinic’s medical doctors who, in turn, would transfer the bulk of the insurance payouts to Integra CBA Company Inc., and PKH, Corp., medical management companies co-owned, respectively, by Drabkin and Mazur.

The 63 defendants – 61 individuals and 2 corporations – have been variously charged with enterprise corruption, insurance fraud, grand larceny, falsifying business records, money laundering, criminal mischief, assault as a hate crime and conspiracy. The 12 individual defendants charged with enterprise corruption face up to 25 years in prison if convicted.

In addition to the criminal charges, the District Attorney’s Office has filed a civil forfeiture action against six of the main defendants – Yevgeniy Ryvkin, Inessa Drabkin, Michael Mazur, Tomas Aquiles, and corporate defendants Integra CBA Company, Inc., and PKH Corp. – seeking the forfeiture of \$1.6 million in illegally obtained proceeds. Approximately \$900,000 has been seized to date.

District Attorney Brown thanked the insurance industry for their assistance in the investigation, with special thanks to Senior Field Information Analyst George Gibbons and Special Investigator Richard Muller and Director Thomas Lohmann, National Insurance Crime Bureau; Investigators from Nationwide Insurance; Investigator Brian Cook of Progressive Insurance; Investigator Marcia Hinchcliffe of Infinity Insurance; Investigator Joanne Katz of MVAIC; Investigator Barbara Ann Chapman of Geico Insurance; Investigator Michael Gacilos of Allstate Insurance; Investigator Louis Colavito of American Transit Insurance; Investigator Brian Hasset of Esurance Insurance; Investigator James Reihman of American Independent Insurance; Investigator Richard Battan of Hartford Insurance; Investigator John Sexton of Lincoln General Insurance; Investigator Ernie Libasci of Travelers Insurance; Investigator **John Ruiz of New York Central Mutual Insurance**; Investigator Robert Casavant of Sentry Insurance; Investigator Michelle Mantilla of Enterprise; Investigator Francesca Atanasio of York Claims Services; and Investigator Juan Gonzalez of AIG Insurance.

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The investigation was conducted by agents of the Federal Bureau of Investigation and Detectives Gerard Shanley and Ralph Burch of the NYPD's Organized Crime Investigation Division. The agents and detectives are all assigned to the New York Health Care Fraud Task Force, and were under the direct supervision of Supervisory Special Agents of the FBI and Sergeant John Moran (retired) and Lieutenant Paul Frawley, and Captain Richard Green, and the overall supervision of Inspector Brian O'Neill of the NYPD. Also assisting in the investigation were Detectives Ronald H. Georg, Edwin J. Driscoll and Elizabeth A. Curcio, of District Attorney Brown's Detective Bureau under the supervision of Chief Investigator Lawrence J. Festa and Deputy Chief Investigator Albert D. Velardi. Also assisting was Senior Investigator Gary W. Anderson of the New York State Insurance Department's Frauds Bureau, under the supervision of Deputy Chief Investigator August D'Aureli, Deputy Director Angelo Carbone and Director Frank Orlando.

Assistant District Attorneys Kevin G. Higgins and Lisa A. Gray, of the District Attorney's Organized Crime and Rackets Bureau, are prosecuting the case under the supervision of Assistant District Attorneys Gerard A. Brave, Bureau Chief, Marc P. Resnick, Deputy Chief, and Assistant District Attorney Mary M. Lowenburg, Supervisor of the District Attorney's Auto Crime and Insurance Fraud Unit.

The civil action is being litigated by Assistant District Attorney David S. Zadnoff of the District Attorney's Special Proceedings Bureau under the supervision of Assistant District Attorneys Anthony M. Communiello, Bureau Chief, and Oscar W. Ruiz, Deputy Bureau Chief. Both the criminal prosecution and the civil litigation are under the overall supervision of Executive Assistant District Attorney for Investigations Peter A. Crusco and Deputy Executive Assistant District Attorney for Investigations Linda M. Cantoni.

It should be noted that an indictment is merely an accusation and that defendants are presumed innocent until proven guilty.

Note to Editor: E-version of press release posted at www.queensda.org.

ADDENDUM

(first 14 defendants are charged with enterprise corruption among other crimes)

Medical Clinic Employees (4)

Inessa "Ina" Drabkin, 53, of 300 East 77th Street in Manhattan.
Michael "Mikhail" Mazur, 42, of 66 Willow Lane in Staten Island.
Yevgeniy "Gene" Rivkin, 38, of 3429 Guilder Avenue in Brooklyn.
Lucy "Luz" Rodriguez, 39, of 2150 Creston Avenue in the Bronx.

Medical Management Companies (2)

Integra CBA Company Inc., is located at 100 Dyckman Street in Manhattan.
PKH, Corp., is located at 300 East 77th Street in Manhattan.

Alleged Super Runner (1)

Tomas "Junior" Aquiles, 40, of 137 Vance Street in New Britain, Connecticut. (not in custody)

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Alleged Sub Runners (7)

Maura Resto-Abad, 48, of 1715 Walton Avenue in the Bronx.
Francisco Capellan Amado, 33, of 2663 Heath Avenue in the Bronx.
Vicentina Hernandez, 35, of 2065 Davidson Avenue in the Bronx.
Lidiana Jones, 40, of 2816 Jerome Avenue in the Bronx.
Magnolia Lajara, 30, of 1398 Grand Concourse in the Bronx. (not in custody)
Ann Soto, 37, of 2145 Mapes Avenue in the Bronx.
Jeremias Vargas (not in custody)

Alleged Accident Participants (45)

(4 other defendants are being sought)

Carmen Acevedo, 50, of 4231 Ely Avenue in the Bronx.
Yanina Baez, 28, of 3155 Grand Concourse in the Bronx.
Wendy Bonilla, 23, of 2851 Webb Avenue in the Bronx.
Yokasta Caba, 36, of 2702 Bainbridge Avenue in the Bronx.
Grace Calderon, 19, of 2145 Mapes Avenue in the Bronx
Solange Cheij, 45, of 2786 Jerome Avenue in the Bronx.
Carlos Carasquillo, 21, of 2 Arden Street in Manhattan.
Diana Castillo, 26, of 2274 Grand Concourse in the Bronx.
Carlos Collado, 39, of 1236 Virginia Avenue in the Bronx.
Tomas Cueto, 44, of 2120 A Grand Avenue in the Bronx.
Denise Espinal, 26, of 275 West 238th Street in the Bronx.
Luis Espinal, 28, of 40 Richmond Plaza in the Bronx.
Carmen "Flores" DeJesus, 38, of 551 W. 185th Street in Manhattan.
Francisco DeJesus, 28, of 110 Post Avenue in Manhattan.
Angela Gomez, 53, of 510 West 146th Street in Manhattan.
Darleivys Gonzalez, 21, of 15 Featherbed Lane in the Bronx.
Diostone Gonzalez, 29, of 2146 Amsterdam Avenue in Manhattan.
Fanny Gonzalez, 21, of 2065 Davison Avenue in the Bronx
Nancy Gonzalez, 33, of 1749 Grand Concourse in the Bronx.
Odlie Gonzalez, 24, of 2786 Jerome Avenue in the Bronx.
Joel E. Guerrero, 18, of 785 East 151st Street in the Bronx.
Daisy Guzman, 26, of 570 West 182nd Street in Manhattan.
Tinmarsan "Tin" Lantiquadelacruz, of 11 West 172nd Street in the Bronx.
Alexis Martinez, 31 or 29, of 3333 West 136th Street in Manhattan.
Annie Martinez, 31, of 1545 Rhinelander Avenue in the Bronx.
Pablo Martinez, 21, of 1929 Andrews Avenue in Manhattan.
Yanehsya Mejia, 22, of 355 East 187th Street in the Bronx.
Christina Mendez, 40, of 2326 Loring Place in the Bronx.
Carlos Morena, 33, of 129 East 123rd Street in Manhattan.
Emmanuel Nueces, 30, of 111 Wadsworth Avenue in Manhattan.
Gladys Ortiz, 38, of 1309 Washington Avenue in the Bronx.
Carlos Peguero, 29 of 30, of 2789 Kingsbridge Terrace in the Bronx.
Yoanny Peralta, 31, of 1365 St. Nicholas Avenue in Manhattan.
Joyce Perez, 19, of 860 Riverside Drive in Manhattan.
Karen Quinones, 43, of 54 Post Street in Yonkers, NY
Eva Rodriguez, (aka Eva Jazmin), 34, of 327 East 112th Street in Manhattan.
Jose Luis Rodriguez (aka Jose Luis Pichardo), 35, of 649 Lenonx Avenue in Manhattan
Luis Rosa, 21, of 2825 Cavin Avenue in the Bronx.
Anna Rosario, 23, of 24 Valentine Avenue in the Bronx.
Juana Santana, 36, of 611 Academy Street in Manhattan.
Kira Santiago, 24, of 229 W. 97th Street in Manhattan.
Miguelina Silva, 32, of 90 Caryl Avenue in Yonkers, NY
Maria Soto, 46, of 470-71 Ash Avenue in Queens.
Jesus Capellan Ulloa, 41, of 1256 Walton Avenue in the Bronx.
Trinidad Valdez, 56, of 15 Featherbed Lane in the Bronx.